

Chairman LEVIN to be able to put together a framework on a bipartisan basis that speaks to those concerns. I am quite confident when we bring forward the FTAs that they are decidedly not NAFTA-type agreements.

I think the gentlelady is right, there are certain parts of this decision that were made beyond perhaps the chairman, but there are also two bodies that are at work. And our chairman has been working to be able to accommodate a complex set of issues going forward.

This 8-month extension ought to be welcomed because it will enable more concrete information to be available that I think will raise the comfort level of the gentlelady. It will certainly speak to the concerns that I have heard back home, and will underscore the hard work that this committee has been doing.

I respectfully suggest that the work that we're going to see, for example, with the environment in Peru, with illegal logging, with what's happening with the environmental sector, labor standards, these are going to provide a more complete package that is going to enable us to have trade, provide that two-way comfort level, and work for all concerns.

In the meantime, I would strongly recommend that we support this extension under an expedited process that will enable us to return to this floor with a more comprehensive approach, and that will enable us to move our entire agenda forward.

Mr. HERGER. I now yield 2 minutes to the gentleman from California, the ranking member of the Rules Committee (Mr. DREIER).

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I rise in strong support of this extension. I want to congratulate the chairman of the Ways and Means Committee, the subcommittee chairman, and of course my very good friend and fellow Californian (Mr. HERGER) who joins with the distinguished ranking member of the Committee on Ways and Means Mr. MCCRERY in moving this effort forward in a bipartisan way.

As I listen to this debate, I heard my colleague from Ohio (Ms. KAPTUR) malign the issue of trade saying that she very much wants to see trade agreements that create American jobs. I could not agree with her more. I very much believe that as we look at trade agreements that we have put into place, recognizing that we have an excess of a third of a trillion dollars in cross-border trade between Mexico and the United States of America following implementation of the North American Free Trade Agreement, that has demonstrated that what we're doing here this evening is just a very small step in establishing these very important agreements with Peru and Colombia. We hope very much that we can do it with Bolivia and Ecuador, and we hope

very much that we can do it with Panama.

And frankly, as we look at those agreements, what is it that those agreements will do? They will lower the tariff barriers that exist preventing U.S. workers from having opportunities to send their goods and services into those very important countries in this hemisphere.

I join with my colleagues who have underscored the fact that the threat of Hugo Chavez and other leaders in this hemisphere is a very serious one. The anti-American sentiment is high, and it's being fueled by Hugo Chavez. He is very much opposed to these free trade agreements. He is very much opposed to any opportunity to expand commerce within this hemisphere. And that's why, for national security reasons, for job creation reasons, and to benefit consumers right here in the United States of America, it is very important, Mr. Speaker, that we have strong bipartisan support for this effort. And let it lay the groundwork for us to pass these important trade agreements for our future.

Mr. LEVIN. Mr. Speaker, I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself as much time as I may consume.

I support this short-term extension of the Andean preferences.

U.S. trade preferences for Colombia, Peru, Ecuador and Bolivia have furthered important economic development and political purposes, including creating incentives that shift from production of illegal drugs to legitimate products, increasing economic growth in these countries and strengthening democracy in the region.

The Andean trade preference expires on June 30. I believe that extending these preferences is very important, but only as a short-term bridge to implementing bilateral free trade agreements with these countries. Such FTAs are reciprocal, open up more trade opportunities, and provide permanent tariff reductions for U.S. interests as compared to the temporary tariff reductions provided to Andean interests by the preferences.

For example, the pending FTAs with Peru and Colombia will greatly enhance our economic and trade ties to the benefit of the Andean and U.S. industries and workers. According to the Office of the U.S. Trade Representative, once the Colombia and Peru FTAs are implemented, one, 80 percent of U.S. exports of consumer and industrial goods will immediately be duty free, with another 7 percent duty free within 5 years and our remaining tariffs eliminated within 10 years.

Two, a substantial amount of U.S. farm exports will receive immediate duty-free treatment.

Three, Colombia and Peru will provide substantial market access to U.S. service providers with very few exceptions.

Four, all U.S. information technology products will enter duty free.

And five, U.S. investors and intellectual property right holders will receive important protections.

From the perspective of Peru and Colombia, these FTAs will expand their trade opportunities with the United States. The FTAs, with their permanence and, in many cases, immediate tariff reductions will provide more certainty for their own industries and workers.

Moving to FTAs with our Andean trading partners also will greatly build on our growing overall trade relationship with these countries at a time when the EU and other countries are looking to strengthen their own trade ties in the region. We must act now before the EU and other countries pass us by.

At the same time we need to be wary over how Ecuador and Bolivia react over the 8 months. We have been generous with preferences, but I'm very troubled that the response in those countries has been a lack of respect for the rights of U.S. investors. Our generosity has its limits.

Mr. Speaker, I support the extension of the Andean preferences being considered today which will allow these important benefits to continue. At the same time it is important for us to remember that we have the unique opportunity now to go beyond the Andean preferences and expand our economic and trade ties to Peru and Colombia through the pending FTAs. Therefore, I look forward to House consideration of the Peru FTA in July, and then moving through the other pending FTAs.

The time is now to solidify our relationship. I urge my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. LEVIN. I want to be clear; we're voting on the Andean Trade Preference Act, we are not voting on FTAs. We are not voting for a bridge to other agreements, we're voting on the merits of the extension of this Trade Preference Act.

It has basically worked. On this side, we're opposed to one-way trade agreements. This has been a two-way passage for those countries and for this country.

Our trade, if you include oil not covered by the Trade Preference Act, has essentially been in balance. We should extend this on its own merits.

In terms of asparagus, if you look at the facts, it shows that these agreements are basically complementary and not competitive.

I urge support of this extension, as I said, on its own merits, not because anyone is trying to use this as a path to anything else.

Vote "yes" on this. Be clear. This has been a two-way street, which this side of the aisle has insisted on as a basic part of American trade policy, and we will continue to do that, building upon it with a new model of trade.

I urge a strong vote for this extension.